

CITY OF TAKOMA PARK, MARYLAND
(Adopted 3/28/05)

BUDGET WORKSESSION
OF THE CITY COUNCIL

Thursday, May 27, 2004

Closed Session 5/24/04 - Moved by Seamens; seconded by Elrich. The Council voted to convene in Closed Session at 10:01 p.m. in the Municipal Building Conference Room (VOTING FOR: Porter, Barry, Elrich, Mizeur, Seamens, Williams; ABSENT: Austin-Lane). OFFICIALS PRESENT: Porter, Barry, Elrich, Mizeur, Seamens, Williams. The Council discussed and agreed on a proposed compensation package to be offered to the new City Manager. (Authority: Annotated Code of Maryland, State Government Article, Section 10-508(a)(1)(i).)

OFFICIALS PRESENT:

Mayor Porter	City Manager Finn
Councilmember Barry	Assistant City Clerk Carpenter
Councilmember Mizeur	Deputy City Manager Hobbs
Councilmember Seamens	Library Director Arnold-Robbins
Councilmember Williams	Recreation Director Haiduven
	Public Works Director Lott
	Information Systems Manager Castillo

OFFICIALS ABSENT:

Councilmember Austin-Lane
Councilmember Elrich

The Council convened at 7:34 p.m. in the Council Chambers of the Municipal Building, 7500 Maple Avenue, Takoma Park, Maryland.

Ms. Porter announced that a Public Hearing on the Budget is scheduled for Tuesday, June 1, at 7:30 p.m. in the Council Chambers of the Municipal Building.

PUBLIC COMMENTS

Jane Lawrence, 7704 Takoma Avenue, complimented the Communications Staff for their work on improving the web site. The budget should continue to support this process. Getting the agenda materials up a week before is also quite useful.

Alain Thery, 7016 Erie Avenue, commented on the proposed \$400,000 loan from the stormwater fund. When I look at the stormwater fund, I don't see \$400,000 in revenues. There is not a reserve of \$400,000. The \$400,000 should be included as a transfer and as a loan. The fund for the stormwater should not be used for specific projects.

Catherine Tunis, Chair, Committee on the Environment, commented on environmental issues

with the community center and the proposed use of the stormwater fund. Ms. Tunis noted a number of potential uses for the fund. We should take credit for the tree preservation program. The stormwater regulations should have incentives to not pave, or disincentives for paving driveways. We need to do a better job of educating people. We need to promote green building guidelines. We have not done watershed mapping within the City. There should be onsite storage at the community center to collect rainwater. We need to encourage developers to use green building guidelines.

With respect to the Phase II stormwater permit, there are six activities that we should be engaging in. The annual report is due June 13. In regard to Maryland Department of Natural Resources (DNR) tributary teams, we are not working with them as we should be. DNR has a Maryland Green Building Network. Finally, Ms. Tunis raised issues about the laws and regulations to prevent property owners from dumping stormwater on neighbors property and prohibiting people from parking on lawns.

Robert Lanza, commented on the Takoma Park Gazette article about hiring county police officers on a part-time basis. We should determine how much police protection we need and tell Doug Duncan this is what we need. The article implies that we are preparing to receive a decrease. You should deal with that reduction rather than hiring part-time officers. Mr. Lanza also encouraged people to read an article about the City Manager's contract.

Ms. Porter clarified, we did reverse the County Executive's initial attempt to reduce the police rebate reduction for this year. We have a Memorandum of Understanding with the County. I am not willing to concede the County's position on this.

Mr. Seamens said the suggestion to hire part-time officers was not to save money, but to bring us to full staffing and to maintain the level of service that we need in the City.

BUDGET WORKSESSION

Library

Ms. Arnold-Robbins gave a presentation on the Library budget.

Ms. Porter asked if the Library will be able to expand children's programs through the use of the Community Learning Center.

Ms. Arnold-Robbins replied that she is working with Recreation Director Haiduvan on the programming for the center.

Mr. Seamens said the Takoma Foundation is working on fundraising for equipment. Who will pay for the furnishings?

Mr. Williams asked with respect to reader services and home schooling. Have you noticed an

increase in home schooling?

Ms. Arnold-Robbins replied that there is a population that is home schooling in Takoma Park. They have used the Library for several years for meetings and as a resource. We want to work with this group.

Ms. Porter said she continues to hear excellent comments on the College Bound series. It is a good resource.

Mr. Williams asked if the number of international users has increased?

Ms. Arnold-Robbins responded, we don't have demographic information. Our perception is that the immigrant population is growing substantially. I would say that our adult users are close to 50% immigrants. Internet users are probably more. It's very impressive.

Community Center

Ms. Haiduven provided a slide presentation. She noted that in the proposed budget, we are projecting on only a one half year of operations (26 weeks). A portion of the recreation staff will also be staffing the community center. There will also be those supervising the building and custodial staff.

Ms. Haiduven noted as a follow up to the recreation budget discussion, Matt Corley did research and has mapped out the use of the New Hampshire Center. Use by Ward 6 and Ward 5 is fairly limited. There is free Ride-On bus service on weekdays until 7:00 p.m. for students. We are asking for a van. We are looking into school buses dropping off kids at the center. We'll have a designated staff person who will be the transportation contact.

Ms. Porter said she would like to see the information on kids getting to the center. If we have documentation showing gaps in Ride-On, I would like to see it.

Ms. Haiduven continued her presentation. Ms. Arnold-Robbins and I will work together staffing the computer center. Operating expenses include paid instructors, maintenance contracts for computers, utility expenses, supplies. Total operating expenses are projected to be \$32,500. We've doubled the numbers to show the full year expense. This can be compared with the 2001 estimate for expenses.

Ms. Haiduven said her staff has been working to get a sense of the savings with the new community center. We will still need gym space. For the first 6 months, we estimate that we would save \$5,800 in rental fees for other facilities.

Ms. Porter asked if Ms. Haiduven has looked at other entities that might want to use the center? The Boys and Girls Club might provide services here.

Ms. Haiduven clarified, if we provide the programs, we also get revenue.

Ms. Porter suggested we could get the services provided without paying someone to provide the services.

Ms. Mizeur asked, is there an underlying assumption that the Takoma Foundation target of \$300,000 will be met. Will there need to be additional funding out of the general fund?

Ms. Haiduven said, the foundation has received some donations/pledges for specific rooms. There is close to \$20,000 in the general furnishings fund. \$180,000 is needed for the computer learning center and there is a strong push for the donations needed for that.

Mr. Finn said the funds raised will equip some rooms, and then we can move on as more money is raised.

Ms. Mizeur asked, how realistic is it when we do not have any funding for this? Shouldn't there be a backup plan? What is our contingency?

Mr. Finn said, our premise is that the foundation will raised the necessary funds. We are operating on the premise that we will have the funds. When we enter the opening phase, we might not have all the money. Rooms will open as we have money. You can look at using supplemental funds, uncommitted funds from the budget, if the Council wishes.

Mr. Seamens said, regarding the Takoma Foundation, we should hear regularly how the foundation is doing, if we are counting on that funding.

Mr. Seamens and Ms. Mizeur requested regular reports on the progress of the fundraising through the Takoma Foundation.

Mr. Seamens asked, shouldn't these expenses be budgeted within the budget, and the fundraising in the revenue side?

Mr. Finn said, we anticipate a large donation for the computer center. We expect that some items will come in, instead of the money.

Ms. Haiduven noted the Takoma Foundation is donating money to other recipients as well.

Mr. Seamens asked about furnishing the computer lab? We need to resolve these questions before we finish the budget.

Ms. Porter asked about using the learning center for non-computer classes. We tried not to have single-use space.

Mr. Finn noted that we have to be careful because of how the center was funded.

Mr. Seamens noted, if there is an opportunity to restart the ESL (English as a Second Language) class, I would like to help you find a space.

Ms. Arnold-Robbins noted that the ESL teacher may be committed elsewhere.

Mr. Seamens reminded staff about the Nuclear Free Zone Act. There are few microcomputer manufacturers that don't conflict with the ordinance. You might want to get some direction from the Council.

Ms. Arnold-Robbins said, we have begun costing out the Computer Learning Center. We have already done work on putting together information.

Mr. Finn spoke to the capital budget and recommended an additional \$200,000 from the general fund be transferred into the community center fund. He also suggested using \$200,000 from the FY04 budget. Mr. Finn said, we recommended this because we only received \$300,000 from the State. We needed to make that up somewhere. We were attempting to squeeze the departmental budgets to permit use of the \$200,000 from FY04.

Council discussed the presentation of the community center budget document and how to make it more clear where the money is coming from and how to present funds that accumulate over several years.

Ms. Porter asked for clarification. You are asking for another \$200,000, out of FY04, \$200,000 out of FY05, and the \$100,000.

Mr. Finn said, transfer \$200,000 to the community center, as part of a budget amendment, for FY2004. This would be out of carryover. We are also recommending an additional \$200,000 allocation for the community center, in the FY05 proposed budget. This is out of general revenues.

Ms. Mizeur asked, how much is there left in the unappropriated reserve?

Mr. Finn replied, \$600,000 to balance the budget, \$200,000 to the community center.

Mr. Seamens said he looks forward to seeing the numbers next week.

Ms. Porter said, you'll add up all the revenues, and you'll show all the expenditures.

Ms. Mizeur asked about the undesignated reserve.

Ms. Porter said, it is set by charter, and we use some of it for capital items. It has worked pretty well. You watch the spending and the revenues with the fund. It involves 2% of the projected revenues.

Stormwater

Mr. Finn said, the recommended budget is a continuation of what we've done in the past. It is based on projected fee revenues and on projected stormwater permits revenue. We are estimating \$222,000. He discussed the transfer of \$200,000 to help pay for the stormwater project in front of the community center.

Mr. Lott explained the process of expenditures for stormwater. He reviewed what was in the budget document. There were several costly projects, including Hickory Avenue, Baltimore Avenue, quite a few stormwater management costs associated with the street renovation project.

Mr. Seamens asked about salaries in the budget.

Mr. Lott said it included the City Engineer and the administrative assistant.

Mr. Seamens asked, where is the subcontract work shown?

Mr. Williams replied that it was listed under FY04 Estimated Actual.

Mr. Williams asked about the difference between contracted engineering and paying an employee? How many projects are we delaying because of contracting?

Mr. Lott clarified there were about 15 projects on hold. We'd need another \$30,000 to \$40,000 to subcontract it all out.

Mr. Seamens asked, is the City Engineer salary competitive?

Mr. Finn said, we've spent a lot of time looking at this. Our salary is very competitive. Housing costs are pricing us out of the market.

Ms. Mizeur asked, is there a requirement to live in the City?

Mr. Finn replied, no.

Ms. Porter asked about the suggestions made earlier by Ms. Tunis. Do we fund education efforts out of the stormwater budget?

Mr. Lott said there is a requirement to do that, but we do not fund public education efforts out of the stormwater budget.

Debt Financing

Mr. Finn said he is recommending the City borrow \$400,000 to put into the community center fund, and use this stormwater fund to repay it. The first payment, \$49,054 would be due next year. If things remain the same, the fee could remain the same for the next three or four years.

We can fulfill the \$400,000 out of this fund on a 9 year term, at 2.6 %. With the \$350,000 from Montgomery County, we would be close to paying for the required community center stormwater projec.

Mr. Barry asked about the \$144,000 listed in FY03?

Mr. Finn said it was to pay off borrowing from the general fund and the stormwater fund. Council decided to repay it because of the low interest rates. We have borrowed against the fund on previous occasions. The current plan is consistent with borrowing we've done in the past.

Ms. Porter said it might be better to change the way we present the fund, to have a sub-fund for the stormwater piece of the project. Some people have expressed a concern that we are funding the building out of the stormwater fund, which is not correct. We can present it separately. Keep the stormwater component with its own subtotal within the community center fund presentation.

Mr. Williams said he would like to see more history provided in the presentation.

Mr. Seamens expressed concern about borrowing against the fund. I don't see the advantage of borrowing it from the stormwater fund, instead of using the community center fund. Why not lump it all together?

Mr. Finn said, by all definitions, the stormwater component of the community center is an eligible use for the stormwater fund.

Ms. Porter clarified, the pipe being installed will benefit the surrounding homeowners as well. It is a flood control device that will be of utility to other people in the surrounding residential area.

Ms. Mizeur asked how much interest would be paid under the plan suggested by Mr. Finn.

Mr. Finn replied, around \$40,000 or \$50,000. Why not borrow all the money at once, for this and the rest of the project? We are trying to set it up so that the Council will not have to borrow additional money for the center.

Mr. Seamens said, my constituents don't have stormwater problems. I'd be interested to know if other constituents have concerns about this.

Mr. Finn said, we've not taking any maintenance out of the plan in funding this.

Ms. Mizeur asked, have we considered lowering the fee?

Mr. Lott replied, no. We wanted to cover the potential need for repairs and maintenance.

BREAK

The Council recessed for a scheduled break at 9:50 p.m. and reconvened at 9:58 p.m.

Tool Library -

Richard Levine and Richard Margoluis gave the presentation.

Mr. Margoluis says the plan and vision for the Tool Library is unchanged. He suggested changes in hours, commented on relocation, and recommended that a permanent location be found. He recommended that management and governance should be done by the City and Friends of the Tool Library.

Mr. Lott commented that the usage is slightly better but similar to last year, and costs are still high.

Mr. Margoluis said there was an appropriate measure of success, if not an increase in usage in this time period, because we've been organizing people to manage the Tool Library.

Mr. Levine said if the library were used in a certain manner, it could save the community a lot of money. It needs to be advertised and promoted. Everyone seems to support it.

Ms. Porter asked, what is the short term potential? The Tool Library is still in the old mode. Is there a way to do something halfway, and yet provide an entre for the friends. You said you don't think the middle of the week is a good time for it to be open. If we cut down the number of days open, then if the Friends wanted to extend the hours, perhaps you could staff it.

Mr. Levine said, through the City newsletter, we could publish a list of tools. It's not very visible, not well publicized.

Mr. Margoluis said, we were discussing whether this is a values discussion or an economic discussion. \$12,000 is just not economically justified reason to get rid of the Tool Library. It's both a value issue and an economic issue. 95% of people value the library. It is a value and valuable resource in Takoma Park. We would like to get residents to use it more. Rather than let it die, please make the decision that it will be funded so that we can go get support and increase usage.

Mr. Finn said, we are coming from an economic perspective. We thought you would put a program together, implement it, and then we could evaluate it.

Ms. Mizeur said she agreed on the need for a value discussion. I've been concerned about budget issues as well. I'm willing to look at cost benefit analysis. It seems that only the Tool Library is on the chopping block. Why does it get singled out? All of us are looking for ways to cut expenses.

Mr. Finn said, it was a recommended cut last year. I cut it last year, it's up to Council to put it

back in. It feels good, but the usage is not there. We'll work with these gentlemen to support it and to see if they can raise the numbers. If it's not used, it doesn't make sense to fund it.

Mr. Williams said he did agree with Ms. Mizeur, but the location is the issue. I still think Ritchie Avenue by Public Works made sense. I'm not sure if there's space in the Community Center. The community around the Takoma Park Fire Station said they did not want it housed there. Generally, I'm not hearing community support. I hear indifference and hostility, and direction to put it at Public Works.

Mr. Seamens said he takes great exception that you would put the trailer in Ward 4. My constituents are willing to have it there, but not if it's a trashy trailer. It will not be acceptable without new siding and landscaping. We don't anticipate a large increase in traffic. I am also skeptical about keeping the trailer here. I don't know that there are a lot of options. I agree with you on the benefit to the community, but we have to see if it's worth the price. Increased foot traffic could help the area by Public Works.

Mr. Margoluis said there is a need to keep the temporary issues and the permanent issues separate. Some Council members mentioned it might be in the community center. If we knew that putting it in the community center was the long term vision, it would be easier. We need to separate the location issue from the value issue. Can we make the commitment to support the thought of keeping it in Takoma Park? Looking to the future, do we want to keep it? Where will it go permanently? Where will it go temporarily? We had people willing to donate money, but we can't even take money without the commitment from the City.

Ms. Porter said, to clarify, the City did go through an exercise in potential service reductions. It wasn't a cost benefit analysis. There has been some attempt to look at some things that could be cut. All of them have negative consequences. Mr. Finn has made a judgment that this is more worthy of cutting than some of the other things.

Ms. Mizeur said she appreciated the discussion of the options for cutting from the budget. There was no recommendation that these other items be cut, only the Tool Library.

Ms. Porter said she doesn't think money and location are separate issues. Public Works is the best short/medium range location. Locating at Public Works would be potentially temporary. It should be secure and reasonably attractive. In moving it there, we have to offer it as a community resource to Ward 4 and one that looks nice. Attractive landscaping would help.

Mr. Seamens said, it would be a good opportunity for residents to come to Ward 4 and learn about that community.

Mr. Barry said, if what's implied is the need to institutionalize or memorialize the Tool Library because of values, we'll find ourselves right back here looking to see if it can be used.

Ms. Mizeur said, if we're going to do that, I'd like to see the dollar cost of the Nuclear Free Zone

Act. How much does it cost? It fits in the same category.

Mr. Barry said it is a good question to ask the citizens. A larger question to the citizens of Takoma Park--do you want to support this?

Mr. Margoluis said, \$12,000 might not buy much road. but it would buy a lot of Tool Library. We don't deny the need to look at this with an economic lens, but only if after two years, it is still underused. Let's just give it a chance, and if it doesn't work we'll let it go. We tried to find a location before, and we're no further on that than before. If at the end of the day we've decided that only the Public Works location is suitable, let's move it there and get that issue out of the way.

Mr. Williams suggested that Council add \$18,000 to the budget for the continuation and the moving of the Tool Library.

Mr. Finn said, we budgeted money this year. We can fund the move out of this fiscal year. This amount includes a security fence, painting, and landscaping.

Mr. Finn said the Council can pay to move it right now out of this year's funding, and then you can put \$12,000 on the reconciliation list.

Mr. Margoluis asked that a meeting be scheduled, to include Walt Rave and someone representing the Friends of the Tool Library. He also asked that Council make a good faith effort to find space for the Tool Library in the new community center.

There was no opposition to this proposal. Ms. Porter warned that it may not be possible but we can make a good faith effort.

General Government

Mr. Hobbs made the presentation on the General Government budget. He noted the FTE's decreased because of eliminating a position. One transferred; one disappeared.

Human Resources

Mr. Hobbs provided information on staffing in Human Resources. At Mr. Seamens request, he provided background information on the City's passport services.

Council asked questions about the Clerk's Office, Passports, and the Finance Office. Ms. Porter asked about the costs of lobbying.

Mr. Hobbs said he will correct the figures and show lobbying expenses accounted for separately.

Procurement

Mr. Seamens asked about the procurement officer position.

Mr. Hobbs said it is going well. The incumbent has a good handle on RFPs and has made good contacts.

Legal

Mr. Seamens asked about the actual expenditures.in this account.

Mr. Hobbs said they were a bit over the budgeted amount.

Mr. Finn said this could be explained by the recodification project.

Mr. Seamens asked if the proposed amount is realistic? How will you make up the difference?

Mr. Hobbs said there is an unappropriated reserve to cover the difference.

Information Systems

Mr. Seamens asked, does hardware support include equipment?

Mr. Hobbs replied, no, departments show the equipment numbers.

Mr. Seamens asked Mr. Castillo about the state of the City's computer equipment.

Mr. Castillo said it was about 3-5 years old. We use Gateway, it is non-nuclear.

Mr. Seamens asked, with respect to ACTION, have the corrections made been at a cost to the City?

Mr. Castillo said, the City has a maintenance contract. It includes upgrades. We know there are issues with it.

Ms. Porter asked, under General Government, what about the 24.3% decrease in transportation and pedestrian safety?

Mr. Hobbs said this is a reduction only in Suzanne Ludlow's (Community and Government Liaison) time. It is not Planning or Public Works time.

Ms. Mizeur asked, how is our legal contract determined?

Mr. Finn clarified, two years ago, Council renegotiated the contract.

Mr. Seamens asked, doesn't the contract calls for annual reviews?

Council discussed how the City's legal services work, and its accounting.

Mr. Hobbs said he will provide the two page summary of the invoice to Council.

Budget Reconciliation

Ms. Porter said the budget reconciliation item would be bumped to Tuesday's meeting because of the hour.

ADJOURNMENT

The Council adjourned for the evening at 11:23